

## MINUTES – JANUARY 22, 2013

The Caswell County Board of Commissioners met in regular session at the Caswell County Historic Courthouse in Yanceyville, North Carolina at 6:30 p.m. on Tuesday, January 22, 2013. Members present: Cathy W. Lucas, Chair, Kenneth D. Travis, Vice-Chairman, Nathaniel Hall, Larry G. Hamlett, Jeremiah Jefferies, and N. Kent Williamson. Absent: William E. Carter. Also present: Kevin B. Howard, County Manager, Brian Ferrell, County Attorney, and Angela Evans representing The Caswell Messenger. Paula P. Seamster, Clerk to the Board, recorded the minutes.

### INVOCATION

Reverend Thomas “Tommy” Williamson, Sr. gave an invocation before the Commissioners meeting began.

### PLEDGE OF ALLEGIANCE

The Board of Commissioners and all the guests in the audience recited for the Pledge of Allegiance.

### CALL TO ORDER

Chair Lucas called the January 22, 2013 Caswell County Board of Commissioners meeting to order.

### APPROVAL OF AGENDA

Commissioner Travis moved, seconded by Commissioner Williamson to approve the agenda.

Mr. Howard stated “We need to remove Items 7 and 8 from the agenda.”

Upon a vote of the motion as amended, the motion carried unanimously.

### APPROVAL OF CONSENT AGENDA

Commissioner Jefferies moved, seconded by Commissioner Travis to approve the Consent Agenda. The motion carried unanimously.

The following items were included on the Consent Agenda:

- A. Approval of Minutes of January 7, 2013 Regular Meeting
- B. Approval of Minutes of January 10, 2013 Special Meeting

## PUBLIC COMMENTS

Chair Lucas opened the floor for public comments. With no public comments Chair Lucas closed Public Comments.

### CARDINAL INNOVATIONS ATTORNEY

Mr. Richard Topping stated that he and Commissioner Jefferies had been working together for a couple of years. He stated that he had spent a lot of time on the road over the last few months because he serves on the Governor McCrory's transition team for HHS. He added that the information that he was presenting to the Commissioners was just presented to Governor McCrory's office. Mr. Topping stated "The reason why we are doing this is because we don't have a choice. Mental Health is being rolled into Medicaid." Mr. Topping showed a diagram of the US Mental Health System. Mr. Topping listed the five forms of insurance in Medicare, Commercial Insurance, Subsidized Commercial Insurance, Tricare and Medicaid. Medicaid is the nation's largest insurance program. The states pay part of it and the federal government pays part of it. Mr. Topping stated "Medicaid cost \$428 billion last year. 2012 figures are not in but we are estimating around \$450 billion." Medicaid is the largest source of federal revenue and the second largest expenditure behind education. North Carolina can expect 750,000 new enrollees in Medicaid next year. In the 2011 session N.C. House Bill 916 was passed. This takes Behavioral Medicaid in North Carolina and converts it from fee per service to managed care. They are creating a public Medicaid managed organization. The LMEs will convert to MCOs which are public entities but they do not operate as governmental entities they operate like a private insurance company for a public purpose. If North Carolina cannot have public MCOs they will have to move to commercial insurance according to Mr. Topping.

Commissioner Hall asked "You mentioned that mental health is being rolled into healthcare. Tell me some of the pros in doing that and are we doing this at the expense of mental health?" Mr. Topping responded "In North Carolina mental health is funded through the counties and through the state. We have done that in the past because we have been able to do it but now because of the budgetary pressures we have more folks that need the services and less money to deal with it so we have to create something else. With the Medicaid program we get \$18 worth of services for \$1. Mental Health is going from a state program to a Medicaid program and Medicaid is part of the health reform. The idea is that we will have more resources for mental health." Commissioner Hall continued "So it is not happening at the expense of mental health. So we are going to have more services because we are going to get \$18 for every \$1 through Medicaid for mental health?" Mr. Topping responded "That is right." Commissioner Hall asked "How much of that will the counties be paying and the state will be paying?" Mr. Topping responded "Zero. The states have a state match and like I said it could be as low as \$1 but there is no county match so there is no cost to the county." Commissioner Hall continued "What is that going to do for our local services here in Caswell? Ideally what is Cardinal going to make sure happens here in Caswell?" Mr. Topping responded "We will bring all of the federal resources for mental health all to Caswell. This is not something that you all had before." Commissioner Hall asked "Give me an example so I will know what to expect?" Mr. Topping responded "What it means is we will be able to bring the full benefit package and is available through the Medicaid program to residents in Caswell County. Before state, local and federal

were separated. There is a lot involved here.” Commissioner Hall asked “I am still wondering how you are going to get the providers here to do all of this stuff and that is what I was trying to ask you specifically about what is Cardinal going to make happen here in Caswell?” Mr. Topping responded “Because the system has basically lacked funding and this is the operations we are talking about the providers have been unable to invest in an infrastructure. If the providers know that there is a sustainable coverage of Medicaid coverage it will grow their business. They will then have a stable business market and they will invest in the infrastructure. In the existing service or state funded service they are beginning to run out of money and then those services will disappear. With the mental health being rolled over into the Medicaid then they will know that there will be an annual year to year service. Did I answer your question?” Commissioner Hall continued “Yes sir. Does that mean that all of our citizens will all have to become Medicaid eligible?” Mr. Topping responded “For your mental health citizens’ yes. Through the health care reform what it does is changes the eligibility for Medicaid. What it means if folks that qualify for Medicaid through the healthcare reform will have better coverage.” Commissioner Hall asked “What about the others?” Mr. Topping responded “For the folks that don’t qualify then they are eligible to do to commercial insurance plans, those subsidized plans. Those folks will go in based on their income level and then they will be provided partially funded programs.”

Chair Lucas asked “As far as our services since you were here previously have there been any changes in our level of services that we have received through the transition?” Ms. Debra Welch responded “Yes we actually have providers here now in the old building. They are not here every day but they are still here. The care coordinators are actually going into the homes. The penetrations rates are higher. Improvements have been made. We are receiving good comments from the public. We actually have a report that is being made to show the improvements that have been made since October and we can send that to all of you, Jeremiah has it.” Mr. Ric Bruton added “There are actually 5 providers in Guilford Mills and 1 more coming so we will be up to 6.” Chair Lucas asked “Do we have somebody there as far as reception services or for scheduling or for anything like that?” Mr. Bruton responded “No.”

Commissioner Hall asked “Are any of the providers doing crisis care?” Mr. Bruton responded “Yes, Psycho Therapeutic Services.” Ms. Welch added “They can go to their home or they can do to a group home and provide crisis care.” Commissioner Hall continued “So they are providing it for the entire county?” Ms. Welch responded “Yes, 24/7. You also have the access line and when you call in you actually talking to a clinician.”

#### BOARDS AND COMMISSIONS

##### Caswell County Joint Nursing Home/Adult Care Home Community Advisory Committee

Commissioner Hamlett moved, seconded by Commissioner Jefferies to reappoint Mr. Rickey Surgeon to the Caswell County Joint Nursing Home/Adult Care Home Community Advisory Committee. The motion carried unanimously.

### SENIOR CENTER'S ADVISORY REQUEST FOR COMMISSIONER REPRESENTATIVE

Mr. Howard stated "This month when the Senior Center Advisory Committee met they decided that they would like to have a commissioner to attend their meetings and to be a part of that committee and they made a request for the Board to appoint someone to attend their meetings."

Chair Lucas asked "Is there anyone who is interested in serving on the Senior Center Advisory Committee or do we need to think about it?" Mr. Hamlett responded "I think we need to think about it and decide at the next meeting."

Commissioner Travis moved, seconded by Commissioner Hamlett to table the appointment until the next commissioners meeting. The motion carried unanimously.

### APPROVAL FOR ADMINISTRATOR FOR 2012 URGENT REPAIR PROGRAM (URP)

Mr. Howard stated "We advertised for this. We only had two responses. The main reason we only had two responses is this program is only for \$75,000 and the NC Housing Finance sets the amount that each group can charge per house which is only about \$600. The two who sent in proposals are the two that are actually doing grants here which is Hobbs Upchurch & Associates and Benchmark. I went through the proposals and ranked them and my recommendation is that we hire Benchmark CMR to administer the 2012 Urgent Repair Program for us."

Chair Lucas stated "We have a recommendation from the County Manager to approve Benchmark for the administrator for the 2012 Urgent Repair Program. Any other discussions by commissioners on that item? Any questions for the County Manager?"

Commissioner Hall stated "Just a comment and it is probably a bit late now but I think it would probably be good for the County if we started to look at doing these types of things in house. We have a housing department. We could use these dollars for training and for capacity building and to get more involved rather than contracting things out and sending the money out of town. It would be economic development for the county. When we hire a contractor they go do what they do and they go and spend their money elsewhere so we could really grow our own department if we did this in house." Mr. Hamlett responded "I agree with you 100%."

Chair Lucas asked "And it would be handled through our housing department, is that what you are saying?" Commissioner Hall responded "That would be the logical place, I would think, to start training people to get them prepared to do this type of work." Chair Lucas continued "That is something to consider for the future but as of tonight we have this in front of us so what is the pleasure of the Board?"

Commissioner Hamlett moved, seconded by Commissioner Jefferies to hire Benchmark CMR as the administrator of the 2012 Urgent Repair Program. The motion carried unanimously.

## REPORT ON CAPITAL PROJECTS

Mr. Howard stated “What you have in your packets is a spreadsheet of projects that were approved about a year and a half ago as part of the Capital Projects Fund. What you have is the estimated costs where you approved those projects, the project status or where we are with it and then the actual cost for each of those projects. Any questions on any of those? The ones that have the notes beside them were not included in the Capital Fund that you had approved; we took it out of the Maintenance budget. They were small projects so we just took them out of there on top of some of the other projects we did.”

Chair Lucas asked “Have all the commissioners had an opportunity to look at this?”

Chair Lucas asked “Kevin what is the status on the air conditioning for the courthouse?” Mr. Howard responded “I should be receiving proposals from engineering firms and have them in February for Board review and approval for an engineering firm.”

Chair Lucas asked “So we came under budget on the Library air conditioning, is that right?” Mr. Howard responded “Yes ma’am.” Chair Lucas continued “The Health Department roof we came in under budget.” Mr. Howard responded “Yes ma’am.” Chair Lucas asked “The tennis courts, did we get the reimbursement from the School System?” Mr. Howard responded “Yes the \$50,000. What you are seeing there is our project cost on that one.” Chair Lucas continued “So the actual cost was \$78,000?” Mr. Howard responded “For the county, add \$50,000 to that for what the School Board put into it.”

Chair Lucas asked “Any commissioners have any questions on the Capital Projects report?”

Commissioner Hall stated “In our packet there is a list of automobiles listed for some reason, I think it was just for information. I don’t remember the page but I think there is a listing in there.” Mr. Howard asked “Under Informational Items?” Commissioner Hall responded “Yes. What I wanted to mention is I noticed that some of those vehicles go back to the 80s and 90s and I think we need to start looking at replacing those vehicles and get them off the road. They can’t be fuel efficient and it is probably not economical to be using them. I would hope that the County Manager would take a look at that with staff or someone and come back to the Board with some type of recommendation.” Chair Lucas responded “I think the reason that was requested was to see what vehicles we were carrying on the insurance policy.” Mr. Howard added “That is why it is in there.” Commissioner Hall stated “I understood that it was not for this purpose but I just wanted to make that comment because when I looked at it I saw the age of some of those vehicles. We are trying to drive vehicles that are 20 and 30 years old and we are fooling ourselves if we think we are saving money.”

## UPDATE ON DETENTION CENTER

Mr. Howard stated “The detention center, as most of you are aware, is behind schedule in construction. Just to kind of let you know that we are looking at late February or early March for completion now. We don’t have a definite on that. What we have done is we have requested from the contractors a time frame that they will be completed. The completion date originally

was December 17<sup>th</sup>. That was when we should have been able to move in. There were some rain delays and there were some delays for the soil, having to dig that out and having to replace that. Those two totaled together are about 30 or 40 days. As of mid January each contractor, which there are 10 of them on site, are liable for \$1000 a day for liquidated damages. The architect is in the process now of assessing who was the cause for it being late to see who is liable for those costs. Over the next two or three weeks we will be looking at that to see what kind of damages these contractors are liable to pay back to the county and we can negotiate something with them as far as that goes. When I get that I will bring that back to you. Really the middle of January the ten private contractors on site are liable for \$1000 a day for liquidated damages if their work was within their scope of work. That is \$10,000 a day if each one of them is found liable for causing the project to be behind schedule.” Chair Lucas asked “Did you say there were 10 contractors on site?” Mr. Howard responded “Ten private contractors and each one is responsible for \$1000 a day in liquidated damages. Some of those may have one or two days, some may not have any days at all, and others will have a much higher number than that.”

Commissioner Williamson asked “Is there a maximum amount?” Mr. Howard responded “No sir.”

Commissioner Hamlett asked “What is that date we are looking at being open?” Mr. Howard responded “Late February or early March. I will have a better idea at the next meeting.”

Commissioner Hall asked “Who do we have looking at this?” Mr. Howard responded “The architectural firm. They are reviewing their notes and making assessments based upon when certain parts of the project were supposed to be completed and when they were actually completed. If some of the contractors did not get something completed on time which caused another contractor to be behind schedule they will have all of that detailed.” Commissioner Hall continued “Madam Chair we are getting into some big dollars now and we are looking at a three month delay I would suggest that we have a meeting with the architectural firm because this thing could get out of hand.”

Chair Lucas asked “Do we know what the balance is currently in the detention center project?” Mr. Howard responded “No ma’am not off the top of my head, I am sorry.” Chair Lucas continued “We have it in this report somewhere.”

Commissioner Travis stated “I would recommend having a special meeting with the architects.” Chair Lucas responded “So a special meeting with the architects.” Mr. Howard stated “They are planning to be at the next commissioners meeting to discuss several topics so we can have that as one of the topics.” Commissioner Hall stated “If I am a vendor and you are charging me \$10,000 a day my first thought is I am not going to pay you so we are going to end up going to court and we are going to delay something else. I think from the Board’s perspective we need to have the architectural firm telling us right away where to be looking for the problems because we are talking about a project that is delayed by three months.” Mr. Ferrell responded “It is \$1000 a day in the liquidated damage provision just to be clear. It is still big dollars. The way the schedule in the contract looks is contractor 1 has to finish this date, then contractor 2 picks up work when contractor 1’s work is over based on who goes first. There are different stages. It really is incumbent to hear from the architect on where we got backed up and how are we going to move

this on to completion and who is responsible for what delay. My understanding is and I have talked with the County Manager and I have looked at the agreements, we are really waiting to hear from the architect about his analysis on the cause of the delays.”

Chair Lucas asked “So Brian have you looked at the numbers, you said it could be a sizeable amount of money?” Mr. Ferrell responded “There is no doubt that the contracts have liquidated damages, there are a series of contracts I am talking about with each contractor, and they have a provision for \$1000 a day if they don’t complete according to their schedule. Now of course what we also heard is the schedule is somewhat fluid in a construction agreement and a construction project based on weather and these other things so it is not as easy as saying you did not finish by December 12<sup>th</sup> so you owe us \$1000 a day. The analysis is not that easy but there is a liquidated damage provision built into these agreements if they are slow.”

Commissioner Hamlett asked “So they will be here at the next meeting?” Mr. Howard responded “Yes sir.”

Commissioner Williamson asked “Will the information be sent out before the next meeting?” Mr. Howard responded “Yes sir I can send it out as soon as I get it.”

Commissioner Hamlett asked “Does everybody know what we have talked about tonight?” Mr. Howard responded “The contractors, yes sir. We actually met with them two weeks ago well a letter went out in early December letting them know that they were supposed to be finished by December 17<sup>th</sup> after that date we would assess the liquidated damages at \$1000 a day. Then we had a meeting two weeks ago tomorrow with all the contractors present. They were asked to get Justin’s schedules and to give explanations as to why they did not meet certain dates. We will compare that with our notes and the architects will review it from there.”

Chair Lucas asked “So are we still paying the contractors at this point?” Mr. Howard responded “For the work completed, yes ma’am. There is a 10% retainage until the end of the project so they will not get paid out until it is finished and we have a C of O to occupy the building and these questions settled.” Chair Lucas continued “We have paid out construction management. That is gone in that line item. Administrative and engineering, I don’t know what is outstanding but there is about \$300,000 there and about \$1.5 in construction and about \$10,000 in furnishings and equipment. There is room to work there.”

Commissioner Hall stated “Our general counsel stated that this analysis is going to be pretty detailed, that somebody is going to have to dig into it so are we going to have to pay the architects even more because I don’t think they are being paid to do a detailed analysis for folks being late?” Mr. Howard responded “No sir we are not going to pay them anymore.” Mr. Ferrell stated “And I assume that they will do a detailed analysis on who has done what and who has not done what according to the schedule.”

Chair Lucas stated “I would like to participate in that meeting if I might.” Commissioner Hall responded “Madam Chair I would hope that you would participate. I would not assume that they are going to do it somebody may have to ask them to do it.” Chair Lucas continued “I would be happy to participate when that meeting takes place. Are you going to meet with the architects or

are we going to meet collectively?” Commissioner Hall responded “I don’t care if the chairman meets with them and does it; we just need to get the ball rolling.”

Commissioner Williamson stated “They would have to justify why they are late. I am sure we would have some information on that.” Mr. Howard responded “Brennan makes notes daily on the project in a software program. I have seen that. Let’s say June 13<sup>th</sup> slabs were supposed to be poured, plumbing installed, on that date they put notes in on what was completed and what was not and the reasons why. They will go back and check those notes and compare those to what the contractors say was the reasons and go from there.”

Commissioner Hall asked “So it is in our contract with the architect that we are not going to have to pay them for any additional analysis?” Mr. Howard responded “That is part of the construction management.” Commissioner Hall continued “Okay that is what I wanted to be clear on. I still think we need to ask them to do that analysis. I would not assume that they are going to do it.” Mr. Howard responded “I will.”

Chair Lucas asked “And they are planning to be at the next meeting, is that right?” Mr. Howard responded “Yes ma’am.”

#### COUNTY MANAGER’S REPORT AND UPDATES Middle Border Forward

Mr. Howard stated “I have several things that have come up since the agendas were sent out. The Danville Regional Foundation is putting together an initiative called the Middle Border Forward. What they are looking for is applicants to apply to be a part of this process. What I have included with this is an email I received from Karl Stauber. Karl asked us to get individuals to apply for this. It is an 18 month process. Not everybody that applies will get accepted. They actually requested that I apply so I will be applying to be a part of this process. If you have any questions call me or Wendi Everson, her number and email address are listed in the email.”

#### Caswell County Representatives for PTRDC

Mr. Howard stated “Also you have an email from Charles Malone. He is with the Piedmont Triad Regional Council. He administers the Certified Development Company program. What they are looking for is for two people from Caswell County to be on this board. They have asked that I be on there to represent economic development and then someone else like a commercial banker or someone in the private business to find folks to apply for these small business loans.”

Chair Lucas asked “That is in an email?” Mr. Howard responded “Yes ma’am. I have not forwarded this one to you I just got it today.”



### Commissioner Educational Opportunities

Mr. Howard stated “In your packet you have courses that are available. The courses are the Essentials of County Government, Water for Economically Vibrant Communities and some other options.”

Chair Lucas stated “Kevin that is the one that I wanted to call special attention to for Veteran Elected Officials. I think the Essentials of County Government is for veteran and new commissioners but there is an option for just attending one day and that is for the Water for Economically Vibrant Communities. I think it is important because it states that ‘water is one of the state's most precious resources and is fundamental to quality of life and economic development. Water availability and prices are important issues facing local elected leaders. The workshop for veteran elected officials will provide a basic understanding about the following:

- Water supply
- Drinking water systems
- Wastewater treatment
- Storm water’

I just think that it would be really interesting if several of the veteran commissioners could attend that workshop. I am planning to go and I hope that others will as well.”

### Plans for County Employee Picnic

Mr. Howard stated “We discussed this past fall about having an employee picnic sometime this summer. The committee has met and they are looking at June 22 with a rain date of June 29<sup>th</sup>.”

### Elected Officials Disaster Training

Mr. Howard stated “The last item I have is the disaster training for elected officials that Barry Lynch mentioned at our joint meeting with the Towns. That is February 8<sup>th</sup> at 10:00.”

Chair Lucas asked “Now that is the one with Barry Lynch and Emergency Management?” Mr. Howard responded “Yes ma’am. There are folks from the state coming up and if we don’t have anyone to come they will cancel or reschedule the meeting.”

### ANNOUNCEMENTS AND UPCOMING EVENTS

- A. NCACC Legislative Goals Conference – January 23-25, 2013.
- B. Joint Meeting with the Town of Yanceyville and the Town of Milton – Thursday, March 14, 2013 at 6:00 p.m. at the Thomas Day House.

Commissioner Hamlett asked “Is anybody having problems with our web page? Have you had trouble with updates and stuff? I have had some people complaining.” Chair Lucas asked “Were they specific about what it was?” Commissioner Hamlett responded “They just said there were no updates on it. They were bragging on Person County’s. I don’t know, I have not looked

at it but I had two or three call me.” Chair Lucas asked “Kevin do you know what the status is?” Mr. Howard responded “I will try to look at it. We try to get things changed when we know about them. That is the reason we asked during the budget to get a new website designed so departmentally they can make changes as needed. Our website was designed 7 years ago and it is the old style and we are limited on space. We have to take something off to put something new on there.” Chair Lucas asked “Where do we stand with that?” Mr. Howard responded “I am getting prices on that.”

Commissioner Williamson asked “Is that something that the Cyber Committee can look at?” Mr. Howard responded “Yes that might be a good idea.”

### ADJOURNMENT

At 7:25 p.m. Commissioner Travis moved, seconded by Commissioner Hamlett to adjourn. The motion carried unanimously.

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Paula P. Seamster  
Clerk to the Board

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Cathy W. Lucas  
Chair

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